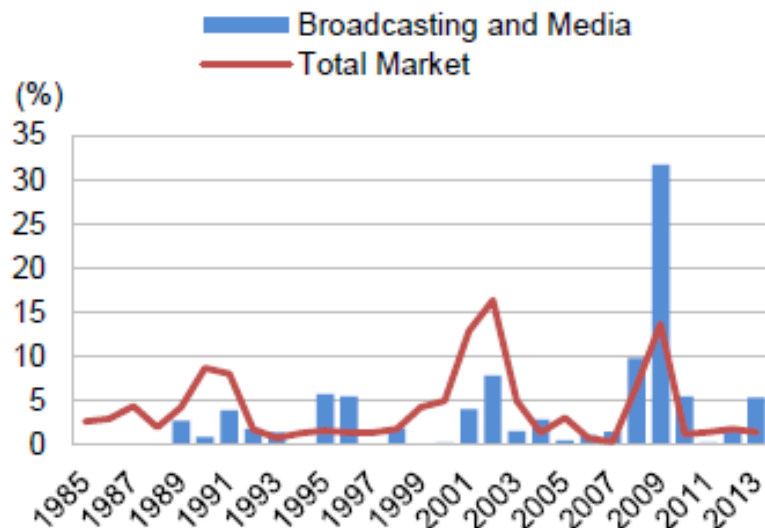


Issues in Media Restructurings

Overview of Capital Markets in Media Industry

Media Industry in the Capital Markets – High Default Rate & # of BK Filings

U.S. High Yield Market and Industry Default Rates



Source: Fitch U.S. High Yield Default Index.

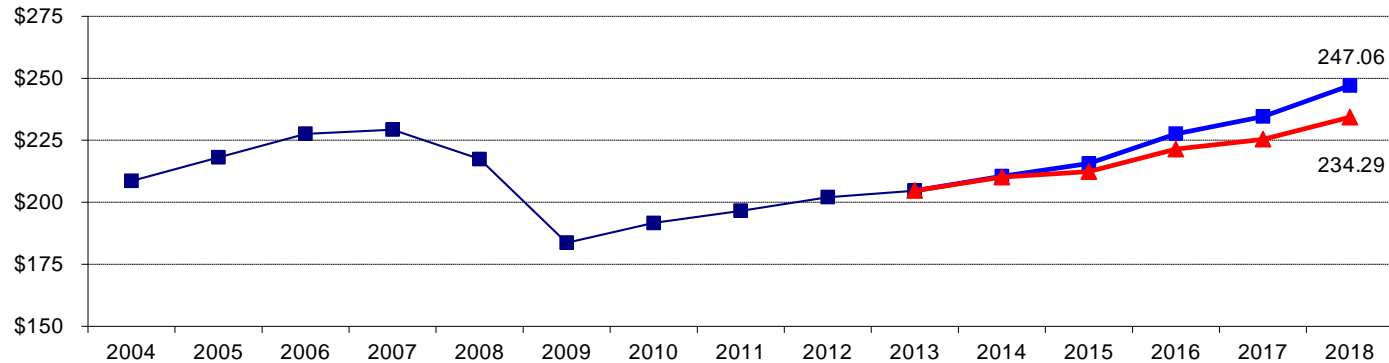
Bankruptcy Filings for Media Industry, by sector

Industry	2009	2010	2011	2012	2013	Total
Publishing						
Newspapers	8	3	1	1	1	14
B2B Publisher	2	2	1	1	1	7
Directories	2	2	-	-	1	5
B2C Publisher	2	1	-	-	1	4
Book Publisher	-	1	-	1	1	3
Commercial Print	-	-	-	-	1	1
Direct Marketing	-	-	-	-	1	1
Total Publishing	14	9	2	3	7	35
Media						
Movies/ TV	1	4	4	1	1	11
Radio Stations	2	2	3	1	-	8
Video Game	1	-	-	2	-	3
Music	1	1	-	1	-	3
Online Media Site	-	-	-	-	2	2
Photo	-	-	-	1	-	1
Total Media	5	7	7	6	3	28
Broadcasting						
TV Broadcasters	2	-	1	1	-	4
Total	21	16	10	10	10	67

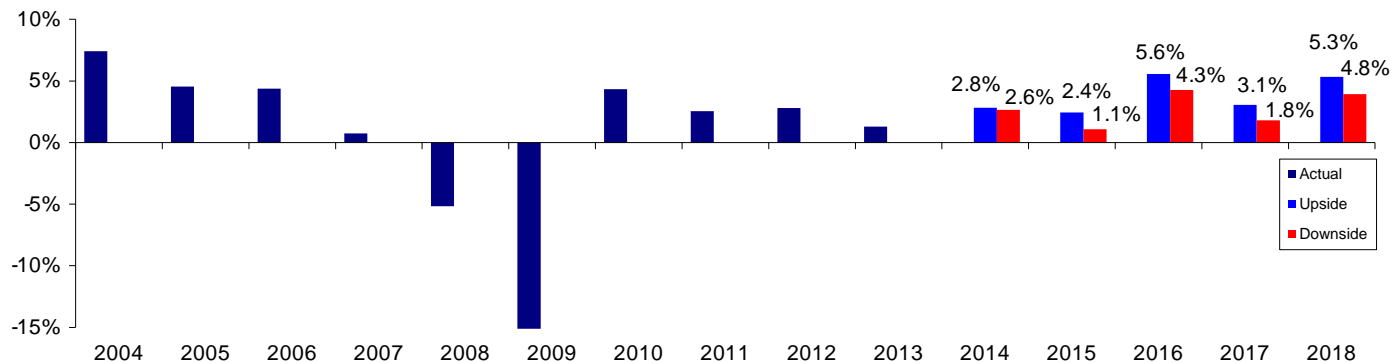
Source: TheDeal.com (query for Media Industry, >\$25M deal size, 1/1/09 to 3/18/14), FTI research and analysis

FTI Forecasts US Advertising Revenues Will Not Reach 2007 Levels Until 2016-17

Current Ad Spend in Nominal Dollars (\$B)

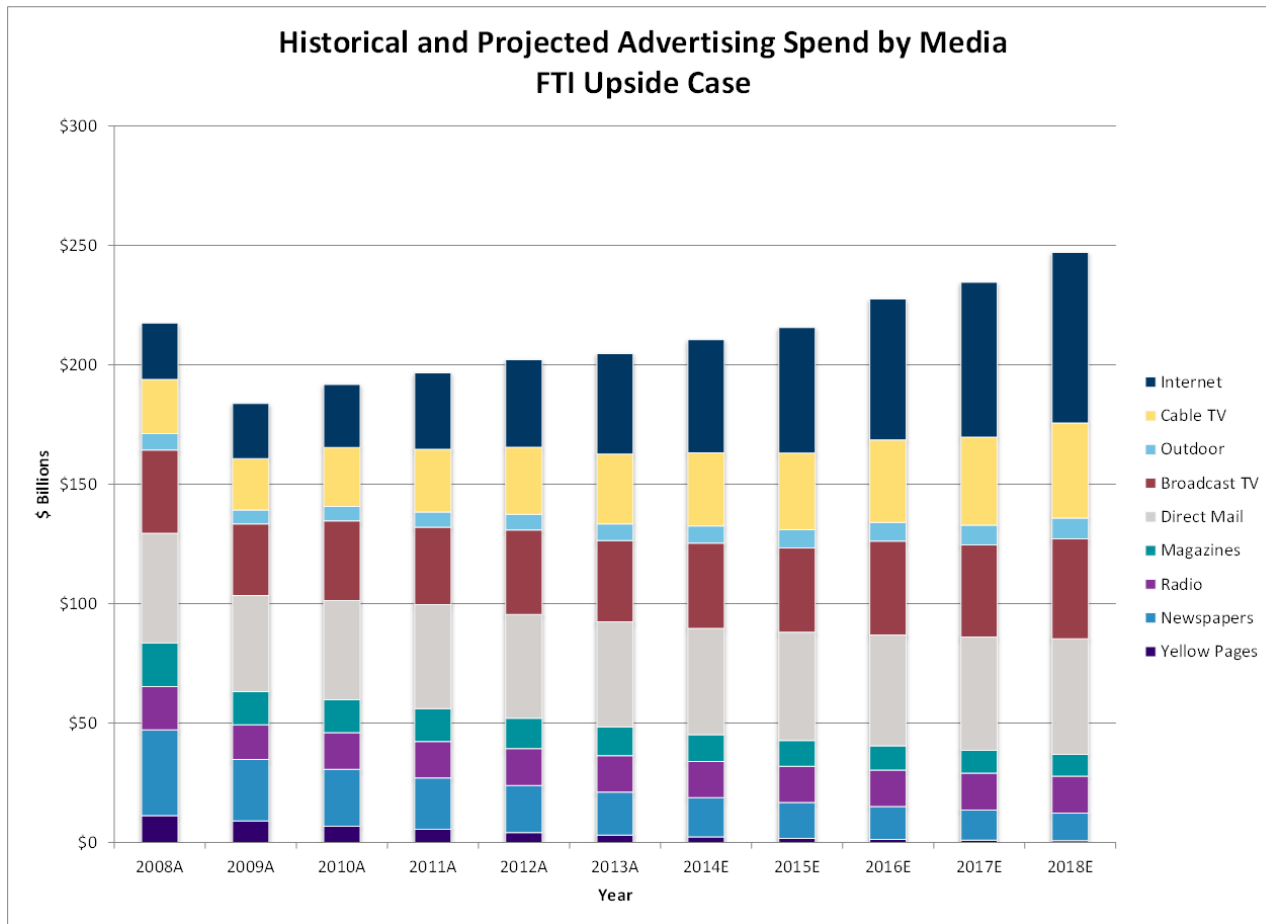


Current Nominal \$ Ad Spend Growth



Source: FTI Consulting's Media Industry Forecast, Spring 2014, FTI Forecast for U.S. Ad Spend based upon proprietary regression model developed

Internet Advertising is Replacing Traditional Media but at Reduced Levels



Source: FTI Consulting's Media Industry Forecast, Spring 2014, FTI Forecast for U.S. Ad Spend based upon proprietary regression model developed

2009 – The 2nd Great Depression in Media

Bankruptcies and Restructuring in 2009

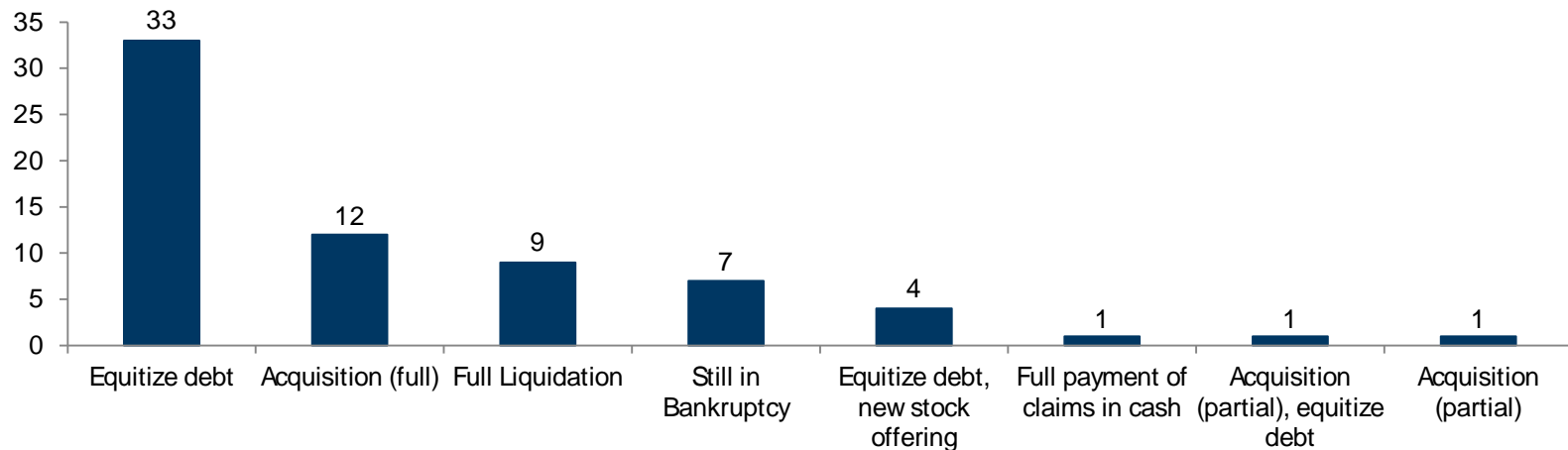
Subject Entity	Filing date	Exit date	Sector	Exit Strategy	Pre- Restructure Debt	Post- Restructure Debt
CommerceConnect Media	8/3/2009	9/21/2009	B2B Publisher	Equitize debt	\$ 500	\$ 60
Questex Media Group Inc.	10/5/2009	8/16/2010	B2B Publisher	Acquisition (full)	na	na
Source Interlink Cos.	4/27/2009	6/19/2009	B2C Publisher	Equitize debt	na	na
Reader's Digest Association Inc.	8/24/2009	2/22/2010	B2C Publisher	Equitize debt	2,200	525
SuperMedia Inc.	3/31/2009	12/31/2009	Directories	Equitize debt	9,000	2,750
R.H. Donnelley Corp.	5/28/2009	1/29/2010	Directories	Equitize debt	12,000	na
ION Media Networks Inc.	5/19/2009	12/18/2009	Movies/TV	Equitize debt	na	na
Muzak Holdings LLC	2/10/2009	2/1/2010	Music	Equitize debt	475	230
Star Tribune Holdings Corp.	1/15/2009	9/28/2009	Newspaper & Periodicals	Equitize debt	100	na
Journal Register Co.	2/21/2009	8/7/2009	Newspaper & Periodicals	Equitize debt	692	225
Philadelphia Newspapers LLC	2/22/2009	10/8/2010	Newspaper & Periodicals	Acquisition (full)	na	na
Sun-Times Media Group Inc.	3/31/2009	8/17/2011	Newspaper & Periodicals	Acquisition (full)	na	na
American Community Newspapers LLC	4/28/2009	10/6/2009	Newspaper & Periodicals	Equitize debt	na	na
Freedom Communications	9/1/2009	4/30/2010	Newspaper & Periodicals	Equitize debt	770	325
Triple Crown Media Inc.	9/14/2009	12/8/2009	Newspaper & Periodicals	Equitize debt	86	40
Heartland Publications LLC	12/21/2009	5/1/2010	Newspaper & Periodicals	Equitize debt	na	na
Citadel Broadcasting Corp.	12/20/2009	6/3/2010	Radio	Equitize debt	na	na
NextMedia Group Inc.	12/21/2009	5/27/2010	Radio	Equitize debt	252	135
Young Broadcasting Inc.	2/13/2009	6/24/2010	TV Broadcaster	Acquisition (full)	800	-
NV Broadcasting LLC	7/13/2009	9/30/2009	TV Broadcaster	Equitize debt	na	na
Midway Games Inc.	2/12/2009	6/11/2010	Video Game Developer	Acquisition (full)	na	na

Source: TheDeal.com (query for Media Industry, >\$25M deal size, filing date in 1999), FTI research and analysis

Exit Strategies for Media Companies in Bankruptcy

- 55% of all media companies that have exited bankruptcy since 1999 had at least some portion of debt equitized, leading to “involuntary ownership” by debt holders

Exit Strategies for Media Restructurings since 2009



Source: TheDeal.com (query for Media Industry, >\$25M deal size, 1/1/09 to 3/18/14), FTI research and analysis

Financial Trends in the Media Industry – EBITDA Multiples

- In general, valuation multiples are recovering with an upward trend over the past 4+ years

EV/ EBITDA

Industry	2010	2011	2012	2013	Latest
Publishing					
Newspaper & Magazine	6.2x	6.8x	7.0x	9.4x	9.4x
Publishing	8.6x	7.4x	7.8x	11.1x	10.1x
Directories	3.8x	nm	3.1x	2.4x	4.1x
Media					
Motion Picture Production	8.8x	7.8x	9.5x	11.3x	11.3x
Television	9.9x	8.8x	10.9x	12.6x	12.3x
Television Production	9.0x	7.9x	9.7x	11.0x	11.0x
Radio Stations	10.1x	9.4x	9.8x	11.9x	11.9x
Radio Production	8.2x	10.0x	10.6x	11.6x	11.6x
Broadcasting					
TV Broadcasters	10.4x	9.2x	10.7x	12.2x	12.1x

Source: CapIQ as of May 1, 2014; Note that the above uses Book Value of Debt

Financial Trends in Media Industry – Leverage

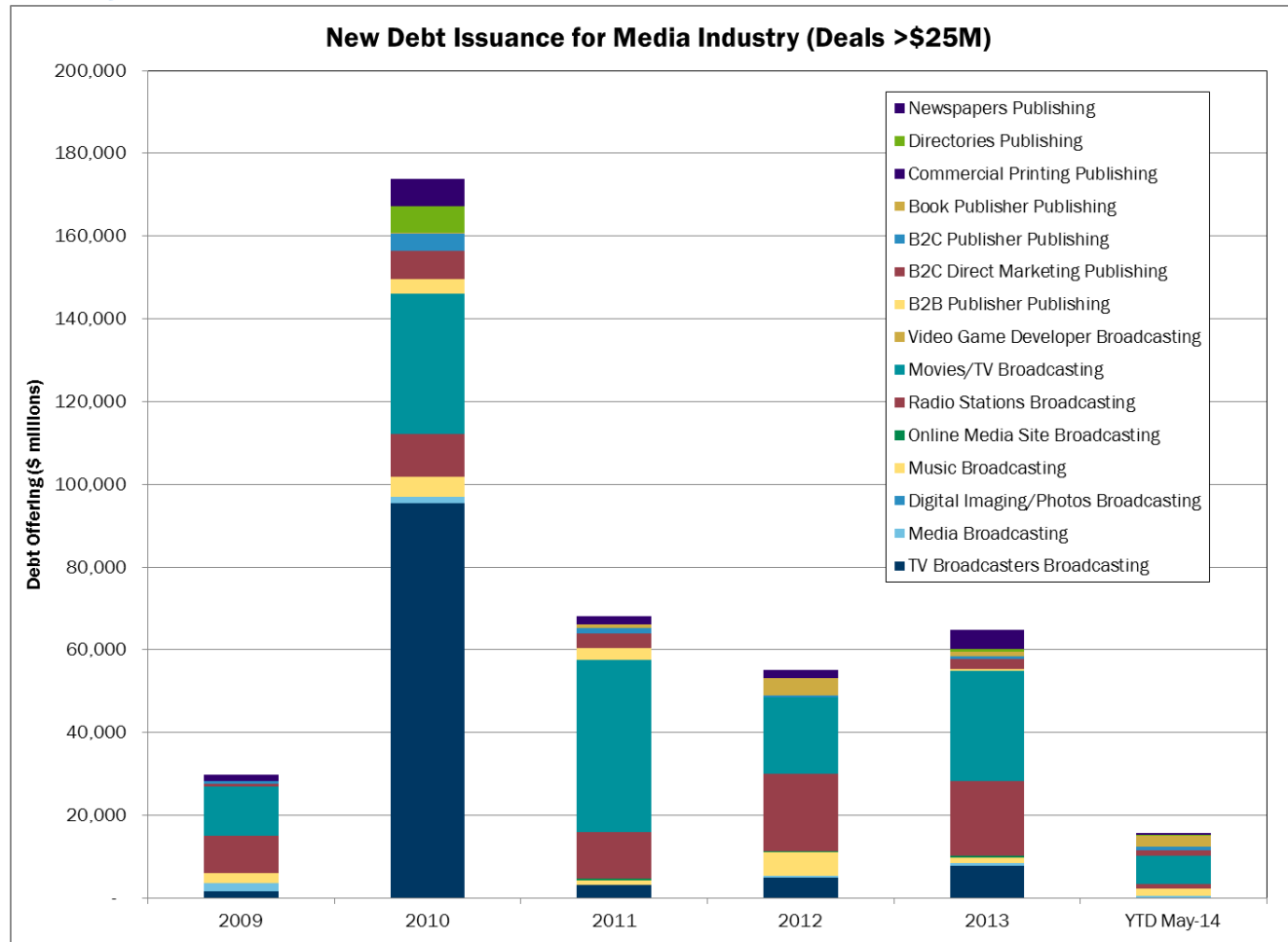
- Restructuring activity, and improved financial performance, has led to the deleveraging of most sectors

Debt/ EBITDA

Industry	2010	2011	2012	2013	Latest
Publishing					
Newspaper & Magazine	1.9x	3.8x	3.9x	1.0x	1.7x
Publishing	2.8x	3.4x	3.5x	2.3x	2.8x
Directories	7.0x	23.8x	4.5x	4.0x	5.2x
Media					
Motion Picture Production	2.4x	2.4x	2.5x	2.7x	2.7x
Television	4.0x	3.7x	3.6x	3.2x	3.4x
Television Production	2.0x	2.1x	2.2x	2.1x	2.1x
Radio Stations	7.4x	6.5x	5.8x	5.6x	5.7x
Radio Production	1.4x	1.4x	1.6x	1.2x	1.2x
Broadcasting					
TV Broadcasters	5.1x	4.8x	4.6x	4.4x	4.3x

Source: CapIQ as of May 1, 2014; Note that the above uses Book Value of Debt

Financing Activity Peaked in 2010 and Today is Down from 2013 Levels



Source: CapIQ

Overview of Recent FCC Activity Relevant to Media Restructurings

Attribution & Multiple Ownership

Background

- “Attribution” Rules
 - When “ownership” may not mean ownership
- Structural Ownership Rules
 - Local Radio Multiple Ownership Rule
 - Local Television Multiple Ownership Rule (“Duopoly Rule”)
 - Radio/Television Cross-Ownership Rule
 - Daily Newspaper Cross-Ownership Rule

Attribution & Multiple Ownership

Recent Developments

■ UHF Discount

- ❑ National Television Multiple Ownership Rule limits television station ownership to 39% aggregate audience reach
- ❑ Historically subject to 50% reduction in attributable reach of UHF stations
- ❑ FCC has proposed repeal of 50% discount

Attribution & Multiple Ownership

Recent Developments

■ Joint Operating Arrangements

□ Attribution of TV Joint Sales Agreements

- JSA, like LMAs, now treated as ownership interests

□ Shared Services Agreements “Processing Guidelines”

- Effectively prohibiting TV SSAs accompanied by “financial entanglements,” e.g., loan guarantees, put or call options, ROFRs

Attribution & Multiple Ownership

Pending “Quadrennial Review” Proposals

- Retain Local Radio Limits
- Retain Duopoly Rule
- Retain Newspaper-TV Prohibition, possibly subject to waiver standard
- Repeal Newspaper-Radio Prohibition

Foreign Ownership

- Longstanding FCC policy prohibiting aggregate indirect foreign investment in excess of 25% in a broadcast company
 - Non-voting stock
 - Passive limited partnership interests
 - Multiple unrelated fractional interests held through investment funds

Foreign Ownership

- Communications Act authorizes the FCC to permit proposals for above-benchmark foreign investment in either a telecom or a broadcast company
 - FCC routinely reviews and approves foreign investment above 25% in non-broadcast telecommunications companies, such as wireline and wireless telecom carriers
 - Non-broadcast programmers and distributors have unrestricted access to capital

Foreign Ownership

- November 2013 FCC Declaratory Ruling announced that the FCC will consider on a case-by-case basis proposals for foreign investment in broadcast companies in excess of the de facto 25 percent limitation
 - Any concerns -- including national security concerns -- will be vetted and addressed by the FCC (in consultation with other agencies as appropriate)

Foreign Ownership

- Prospects for Relief Under New Standard
 - ❑ Public Company “pressure valve”
 - ❑ “Friendly” alien financial investor
- Self-Help
 - ❑ Warrants, including upstream warrants
 - ❑ 25% pro rata equity allocation (coupled with warrants)
 - ❑ Minority Investor Protections
 - ❑ Charter Provisions

Summary of FCC Broadcast Attribution Rules

Type of Interest	Attributable	Non-Attributable
Equity interests in widely or closely-held corporations	<p>Voting stock interests amounting to 5 percent or more of the outstanding voting stock (except with respect to “passive” investors, described below). 47 C.F.R. § 73.3555, Note 2(a).</p> <p>Discrete commonly-controlled interests will be aggregated to determine whether a shareholder’s total interest meets or exceeds the applicable 5 percent or 20 percent benchmark. 47 C.F.R. § 73.3555, Note 2(h). The FCC will aggregate discrete non-attributable interests under common control and treat as a single attributable interest if (1) the sum of interests held by non-“passive” investors is equal to or greater than 5 percent; or (2) the sum of interests held by “passive” investors is equal to or greater than 20 percent; or (3) the sum of interests computed under (1) and (2) is equal to or exceeds 20 percent. <i>Id.</i></p>	<p>Voting stock interests amounting to less than 5 percent of the outstanding voting stock. 47 C.F.R. § 73.3555, Note 2(a).</p> <p>All minority voting stock interests, including those in excess of 5 percent, in corporations with a single majority voting shareholder.</p> <p><i>Review of the Commission’s Regulations Governing Attribution of Broadcast and Cable/MDS Interests</i>, Order, 16 FCC Rcd 22,310, 22,310 (2001) (“2011 Suspension Order”).</p> <p>Nonvoting stock interests of any size and irrespective of conversion rights subject to the “Equity/Debt Plus” rule. 47 C.F.R. § 73.3555, Note 2(e).</p>

Summary of FCC Broadcast Attribution Rules

Type of Interest	Attributable	Non-Attributable
Equity interests in widely or closely-held corporations held by “passive” investors, <i>i.e.</i> , investment companies as defined at 15 U.S.C. § 80a-3 (mutual funds); insurance companies; or bank trust departments	Voting stock interests amounting to 20 percent or more of the outstanding voting stock. 47 C.F.R. § 73.3555, Note 2(b). ²	Voting stock interests amounting to less than 20 percent of the outstanding voting stock. 47 C.F.R. § 73.3555, Note 2(b). Minority voting stock interests in excess of 20 percent in corporations with a single majority voting shareholder. <i>2001 Suspension Order</i> , 16 FCC Rcd at 22310. Nonvoting stock interests of any size and irrespective of conversion rights subject to the “Equity/Debt Plus” rule. 47 C.F.R. § 73.3555, Note 2(e).
Partnership interests and LLC interests	General partnership interests. 47 C.F.R. § 73.3555, Note 2(a). Non-insulated limited partnership interests irrespective of amount of equity ownership. <i>Id.</i> Note 2(f)(1). LLC manager and non-insulated LLC member interests irrespective of amount of equity ownership. <i>Id.</i>	“Insulated” limited partnership interests and LLC member interests upon a certification that the limited partner or LLC member is not materially involved, directly, or indirectly, in the management or operation of the partnership’s or LLC’s media-related activities. 47 C.F.R. § 73.3555, Note 2(f)(1)-(2).

Summary of FCC Broadcast Attribution Rules

Type of Interest	Attributable	Non-Attributable
Warrants, options and other contingent future equity interests	Only upon exercise. 47 C.F.R. § 73.3555, Note 2(e).	Not attributable “unless and until” exercise irrespective of fully diluted value. 47 C.F.R. § 73.3555, Note 2(e).
Debt, including convertible debt	Only debt with rights of conversion to voting interests, and only upon conversion. 47 C.F.R. § 73.3555, Note 2(e).	Not attributable “unless and until” conversion irrespective of fully diluted value. 47 C.F.R. § 73.3555, Note 2(e).

Summary of FCC Broadcast Attribution Rules

Type of Interest	Attributable	Non-Attributable
"Equity/Debt Plus"	<p>Otherwise non-attributable equity or debt interests in a media company will be attributed if</p> <p>(1) the holder's combined equity and debt interests amount to more than 33% of the "total asset value" of the media company; and</p> <p>(2) the holder has an attributable interest in another media property in the same market.</p> <p>47 C.F.R. § 73.3555, Note 2(i).</p>	
Positional interests, <i>i.e.</i> , officerships and directorships	<p>Generally any director or executive officer irrespective of equity ownership. 47 C.F.R. § 73.3555, Note 2(g).</p>	<p>Directorships and officerships in multi-faceted holding companies upon a certification that the director or officer is not materially involved, directly, or indirectly, in the management or operation of the company's media-related activities. 47 C.F.R. § 73.3555, Note 2(g).</p>

Summary of FCC Broadcast Attribution Rules

Type of Interest	Attributable	Non-Attributable
Governance rights	Power or right to <i>designate</i> or <i>appoint</i> a director, irrespective of amount of equity ownership.	Power or right to <i>nominate</i> a director. A wide array of approval rights with respect to non-ordinary course company activities exercised by non-attributable voting and non-voting shareholders in corporations, and insulated limited partners or LLC members.
Local Marketing Agreements and Joint Sales Agreements	Contractual arrangements pursuant to which a radio or television station provides more than 15% of the weekly programming or sells more than 15% of the weekly advertising on another station in the same market.	

FCC Treatment of Minority Investor Protections

Item	Existing Models/Prior FCC Consideration	Comments
Approval rights w/r/t annual budget	The FCC has permitted an investor to have an approval right w/r/t annual budget, subject to a default to previous year's budget in the event approval is withheld. <i>NBC-Telemundo</i> ¶ 35.	<p>The FCC has not disapproved deals in which the first year's budget is determined in the initial Newco investor agreements. Those agreements also could establish budgets for several years going forward.</p> <p>The <i>NBC-Telemundo</i> precedent suggests that a minority investor could have veto power over a licensee's annual budget provided there is a mechanism to ensure that the licensee will have access to capital in the event of a disagreement. Alternatives to the NBC model would be a default reversion to prior year's budgeted or actual expenses, whichever was lower; or to prior year's budget adjusted up or down by the amount of any increase or decrease (or percentage of such increase or decrease) in gross revenues; or some other objective factor.</p>
Approval rights w/r/t appointment or removal of executive officers		<p>The right to determine executive employees implicates another of the FCC's key indicia of control.</p> <p>However, the FCC has not disapproved deals in which the initial slate of executive officers was specified in the investment agreements, as long as the licensee thereafter had discretion to make changes in executive ranks.</p> <p>In addition, or alternatively, the FCC has approved provisions delineating the qualifications required for replacement officer candidates.</p>
Approval rights w/r/t new or amended employment contracts, executive compensation (including stock options, benefit packages)	<i>NBC-Telemundo</i> ¶ 26 (NBC consent required to approve executive compensation)	This is a common provision that has not been disapproved by the FCC.

FCC Treatment of Minority Investor Protections

Item	Existing Models/Prior FCC Consideration	Comments
Approval rights w/r/t a merger, consolidation or liquidation in which more than 50 percent of voting securities are transferred	NBC/Paxson Investor Agreement: NBC has approval right w/r/t sale of 50% of stock of any Paxson subsidiary holding FCC assets/licenses if station was in top 20 DMA and NBC coverage would be affected by transaction. The FCC did not address this provision in the <i>NBC-Telemundo</i> decision.	This is a common provision that has not been disapproved by the FCC.
Approval rights w/r/t acquisition of another business entity, joint ventures or partnerships or establishing non-wholly-owned subsidiaries	<i>GTE Corp.</i> , 15 FCC Rcd 14032 (1996) (agreement permitted management to enter into acquisitions of up to 20 percent of the company's fair market value without investor's consent).	This is a common provision that has not been disapproved by the FCC.
Approval rights w/r/t expansion into new businesses	Roy M. Speer, ¶11 FCC Rcd 14147, 14155 (¶ 18) (1998) (veto power over engaging in any line of business other than media, communications and entertainment)	This is a common provision that has not been disapproved by the FCC.

FCC Treatment of Minority Investor Protections

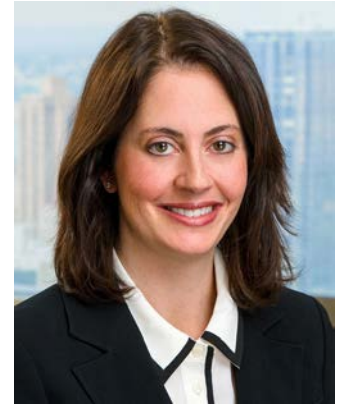
Item	Existing Models/Prior FCC Consideration	Comments
Approval rights w/r/t issuance or sale of securities and payment of dividends	<i>NBC-Telemundo</i> ¶ 26 (veto power over "equity offerings")	This is a common provision that has not been disapproved by the FCC.
Approval rights w/r/t the repurchase or redemption of securities or debt (except to the extent such debt is due in accordance with its terms)		This is a common provision that has not been disapproved by the FCC.
Approval rights w/r/t registration of securities under the 1933 Act or the granting of registration rights		This is a common provision that has not been disapproved by the FCC.
Approval rights w/r/t amendments to charter or by-laws	<i>NBC-Telemundo</i> ¶ 21	This is a common provision that has not been disapproved by the FCC.
Approval rights w/r/t changes in the number of the board of directors	<i>NBC-Telemundo</i> ¶ 21 (veto over increases in the size of the board where NBC could nominate 3 members)	This is a common provision that has not been disapproved by the FCC.
Approval rights w/r/t change of company's independent public accountants		This is a common provision that has not been disapproved by the FCC.
Approval rights w/r/t shareholder agreement, purchase agreement, registration rights agreement		This is a common provision that has not been disapproved by the FCC.
Approval rights w/r/t initiation of bankruptcy filing or voluntary liquidation of the company	<i>Quincy Jones</i> , 11 FCC Rcd 2481 (¶ 9) (1995).	This is a common provision that has been expressly approved by the FCC.

FCC Treatment of Minority Investor Protections

Item	Existing Models/Prior FCC Consideration	Comments
Approval rights w/r/t asset sales in excess of specified material amount	<i>Roy M. Speer</i> ¶ 18 (veto power over the acquisition or disposition of any assets or business with a value of 10 percent or more of the company's market value); <i>Quincy Jones</i> ¶ 9.	This is a common provision that has been expressly approved by the FCC.
Approval rights w/r/t individual station sales	<i>NBC-Telemundo</i> (permitting veto power over station sales above specified value threshold); <i>Univision-HBC</i> (disallowing veto power over individual station sales)	FCC policy currently unclear. <i>HBC</i> holding arguably reflected FCC concerns over totality of parties' relationship, which included an exclusive program-supply relationship.
Approval rights w/r/t incurrence of indebtedness in excess of specified material amount	<i>NBC-Telemundo</i> ¶ 21 (veto incurrence of "large amounts of additional debt"); <i>Roy M. Speer</i> ¶ 18 (veto power over the incurrence of any indebtedness with a value of 10 percent or more of the company's market value)	This is a common provision that has been expressly approved by the FCC.
Approval rights w/r/t mortgage/lien on assets in excess of specified amount		This is a common provision that has not been disapproved by the FCC. Analogous to asset sales and debt provisions
Approval rights w/r/t new material contracts	<i>Space Station</i> ¶¶ 25-28 (veto power over contracts of \$1M gave minority investor too much power – required applicants to reform agreement to limit veto power to contracts exceeding 10 percent of annual budget)	This is a common provision that has not been disapproved by the FCC subject to reasonable materiality benchmark.

FCC Treatment of Minority Investor Protections

Item	Existing Models/Prior FCC Consideration	Comments
Approval rights w/r/t transactions with affiliates		This is a common provision that has not been disapproved by the FCC.
Approval rights w/r/t material decisions regarding litigation, arbitration and regulatory provisions (including settlement)	<i>Roy M. Speer</i> , ¶ 18 (veto power over the settlement of any litigation, arbitration or other proceeding other than in the ordinary course of business)	This is a common provision that has not been disapproved by the FCC.
Approval rights w/r/t material public announcements		This should not be problematic, although apparently there are no FCC cases on point.
Approval rights w/r/t use of trade names related to the venture		This should not be problematic, although apparently no FCC cases on point.
Approval rights w/r/t capital calls or similar equity financing arrangements		This should not be problematic, although apparently no FCC cases on point.
Approval rights w/r/t establishment and delegation of authority to Board Committees		This should not be problematic, although apparently no FCC cases on point.



ATTORNEY BIOGRAPHY

PRACTICE

Ana M. Alfonso is a partner in the Business Reorganization and Restructuring Department of Willkie Farr & Gallagher LLP in New York. Ms. Alfonso's practice focuses on creditors' rights and debt restructurings both in and out of bankruptcy. She regularly advises administrative agents, steering committees, individual lenders and other credit providers facing bankruptcy and insolvency-related issues on difficult credits of all sizes. Her clients include traditional lenders as well as strategic investors.

SELECTED SIGNIFICANT MATTERS

- Counsel to Bank of America, N.A., as prepetition agent, "second out" DIP agent and "first out" DIP arranger in the Patriot Coal chapter 11 proceedings.
- Counsel to Barclays Bank, PLC, as administrative agent for the first lien prepetition lenders and DIP lenders in the Velo Holdings (also known as Vertrue) chapter 11 case.
- Counsel to Bank of America, N.A., as administrative agent for the prepetition lenders, DIP lenders and exit lenders in the Fair Point Communications chapter 11 case.
- Representing The Royal Bank of Scotland, N.V. (frequently known as ABN Amro) in connection with more than \$3 billion of secured and unsecured credit exposure in the chapter 11 case of Lyondell Chemical Company.

PUBLICATIONS

Ms. Alfonso is the co-author of "Zing VII and the Future of "Bankruptcy-Remote," *Asset Securitization Report* (November 2011), "Second Circuit Court Of Appeals Holds 'Gift' From Secured Creditor To Shareholder Under A Chapter 11 Plan Violates Absolute Priority Rule," *Metropolitan Corporate Counsel* (April 2011) and "Calyon: Mortgage Loan Investors and Safe Harbors," *New York Law Journal* (January 31, 2008)

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EDUCATION

New York University School of
Law
JD, 1997
Vanderbilt University
BA, 1994

HONORABLE KEVIN J. CAREY

Judge Carey has served on the Bankruptcy Court for the District of Delaware since December 9, 2005 (and was chief judge from 2008 to 2011), having first been appointed as a bankruptcy judge for the Eastern District of Pennsylvania on January 25, 2001. He is a member of the Judicial Conference Committee on Space and Facilities, is the bankruptcy judge representative on the Third Circuit Judicial Council and on the Council's Facilities and Security Committee. Judge Carey is President of the Turnaround Management Association. He is on the Board of Directors of the American Bankruptcy Institute and is a member of the National Conference of Bankruptcy Judges. He is a contributing author to Collier on Bankruptcy and Collier Forms Manual. Judge Carey is also a part-time adjunct professor in Temple University's Beasley School of Law and in the LL.M. in Bankruptcy program at St. John's University School of Law. He began his legal career in 1979 as law clerk to Bankruptcy Judge Thomas M. Twardowski, and then served as Clerk of Court of the Bankruptcy Court, Eastern District of Pennsylvania. Judge Carey received his J.D. in 1979 from the Villanova University School of Law and his B.A. in 1976 from The Pennsylvania State University.

ANDREA NEWBORN, ESQ.



Andrea Newborn became Senior Vice President, General Counsel and Corporate Secretary of RDA Holding Co./The Reader's Digest Association, Inc., a global conglomerate of media and marketing assets, following the acquisition of RDA by a private equity sponsor in 2007.

Ms. Newborn has led RDA's legal, regulatory and governance affairs under both a public and private company regime, and through multiple changes of control and board/management changes. During her tenure, she helped guide the company through two pre-arranged Chapter 11 proceedings in 2009 and 2013. During the 2013 case Ms. Newborn's focus was principally on operational contract negotiations and foreign asset dispositions, licensing and wind-downs; during the 2009 case, her focus was on pension liability mitigation in the US and UK, real estate transactions, and the establishment of governance, financing and compensation structures for the post-emergence company.

Functioning as both lead lawyer and strategic advisor to multiple CEOs, she has actively participated in the design and execution of corporate strategy as well as helping lead cultural and business transformation efforts. Prior to her promotion to General Counsel, Ms. Newborn was chief division counsel and staff attorney for various RDA subsidiaries and divisions, and also responsible for corporate transactions at the parent company including acquisitions, equity investments, start-ups, joint ventures and licensing. As of February, 2014 she is Senior Legal Advisor to the Company and its Board of Directors.

While earning her J.D. degree from Columbia Law School, Ms. Newborn was a James Kent Scholar, Harlan Fiske Stone Scholar, and member and Notes Editor of the Columbia Law Review. She earned an A.B. degree, *magna cum laude*, in Political Science and Economics from Brown University. Before joining RDA, Ms. Newborn was a corporate associate at the law firms of Fried, Frank, Harris, Shriver & Jacobson, and Hertzog, Calamari & Gleason in New York City.

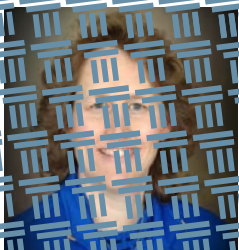
Mace Rosenstein is a partner in Covington & Burling's Washington office and is co-chair of the Media, Internet & Technology Industry Group. Mr. Rosenstein's practice focuses on traditional media, new media and telecommunications transactions, policy, regulation and compliance. He represents clients on a wide range of strategic matters, including mergers and acquisitions, joint operating agreements and similar arrangements, and has assisted in structuring and securing regulatory approvals for major acquisitions of broadcast and telecommunications properties. He advises private equity funds, banks and other investors on federal law and regulation pertaining to foreign ownership and multiple and cross-ownership of media and telecommunications properties. He has assisted clients in effectuating changes in FCC rules in order to facilitate creative business concepts, both through rule waivers and in complex rulemaking proceedings before the FCC and in the federal courts. He also counsels US broadcast networks and television and radio station group owners on regulatory and compliance matters.

Representative Matters

- Represents Univision Communications Inc., the nation's largest, multi-faceted Spanish-language media company, in policy, strategic and regulatory matters.
- Represents Tribune Company in policy, strategic and regulatory matters, including in its 2013 acquisition of Local TV LLC.
- Represents LIN Media LLC in policy and strategic matters, including its pending merger with Media General, Inc.
- Represents Twenty First Century Fox, Inc., in policy, strategic and regulatory matters, including multiple and cross-ownership.
- Represents ION Media Networks, Inc., in spectrum policy and strategy.
- Represents Hulu LLC in policy and regulatory matters.
- Represented the former News Corp. in separate FCC and judicial proceedings to secure permanent relief from US foreign ownership limitations and the FCC's newspaper/broadcast cross-ownership prohibition.

Honors and Rankings

- The Best Lawyers in America, Communications (2008-2014)
- Chambers USA - America's Leading Business Lawyers (2007-2013)
- Legal 500 US, Leading Lawyer in Telecoms and Broadcast (2012-2013)
- Who's Who Legal, Regulatory Communications (2012-2013)
- The Best Lawyers in America, Washington Communications Lawyer of the Year (2012)
- The International Who's Who of Regulatory Communications Lawyers (2012)



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Certifications

Certified Public
Accountant, Colorado

Accredited in Business
Valuation (by AICPA)

Certified Insolvency and
Restructuring Advisor

FINRA Series 7, 63, 24,
79

Professional Affiliations

American Institute of
Certified Public
Accountants

Education

B.S./M.A. Economics
(Honors Dual Degree
Program),
University of Southern
California

Executive Education,
International Business
Program, Harvard
Business School

Career Experience

Darly Taylor is a Senior Managing Director in FTI's Corporate Finance practice and is based in Denver. She is FTI's Industry Initiative leader, a member of FTI's global Executive Committee, the national leader of the Telecom, Media & Technology (TMT) practice of FTI and the CEO of FTI Capital Advisors, an investment banking subsidiary of FTI and a member of the FINRA. Ms. Taylor is an expert in financial and business consulting, having led hundreds of engagements in the telecom, media, and technology industries involving strategy/business consulting, turnaround consulting, performance improvement, restructuring/bankruptcy, strategic planning, advising on M&A or financing raising transactions, due diligence, litigation expert witness, and valuation.

Professional Experience

Reorganization & Bankruptcy Engagements

Advised company management, bank syndicate groups, and bondholders in the assessment and/or restructuring of over 100 troubled companies.

Example material public engagements on which I have served as a lead restructuring advisor for my client, including both in and out of court restructurings, include:

- **RH Donnelley** – Represented three separate groups of senior secured lenders in the pre-arranged Ch 11 filing to restructure the RH Donnelley company and its various subsidiary groups (including separate borrower groups). RHD is one of the largest yellow pages and internet reference companies in the US, having bought and consolidated the Dex business from Qwest, the Embarq yellow pages business, and certain AT&T yellow pages businesses with its legacy Donnelley directories.
- **Tribune Company** – Tribune Company owns a variety of newspapers, 23 broadcast TV stations, and interests in cable channels. Newspapers include the Chicago Tribune, the LA Times, the Baltimore Sun, and a number of others. Broadcast TV stations are spread across the US and include affiliates of CW and Fox. Cable channels include The Food Network and WGN Superstation (cable and radio). Representing the secured lenders, owed approximately \$8.5 billion, in the restructuring of the company in Chapter 11.

Litigation & Valuation Engagements

Experience in litigation expert witness work consists of over 250 cases in a 23-year period, including over 60 cases in which I have been designated as an expert witness. Types of cases include valuation, bankruptcy litigation (fraudulent conveyance, etc.), breach of contract, patent and trade secrets, securities litigation, class action cases involving telecom billing matters, and antitrust claims. Areas of expertise on which I often testify involve telecom or media industry market conditions and valuation. The following is a list of testimony in the last 10 years:

Examples of Expert Testimony (Last 10 years)

- *Fairpoint Communications Litigation Trust v. Verizon Communications (deposition) 3/13 (trial) 12/13* – Testified on the LEC industry and valuation in a fraudulent conveyance and fraud litigation.
- *U.S. Bank National Association v. Verizon Communications (deposition) 7/12 and (trial) 10/12* – Testified on the valuation of U.S. directories in a fraudulent conveyance litigation.
- *Charter Chapter 11 Contested Confirmation Hearing (deposition & trial) 6/09, 8/09* – Testified on valuation, solvency and liquidity analysis for cable companies.



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